

Unpaid work - professional services industry

Unpaid work can take on different forms. In the professional services industries, which feature a broad range of activities including business management, legal and financial services, health and science and engineering, these arrangements typically involve unpaid work experience and unpaid internships.

Unpaid work arrangements can be entered into for a number of reasons. These include:

- to give a person experience in a job or industry
- to test a person's job skills.

These arrangements can be initiated by employers, the person wanting the work or experience, or education/training institutions.

Is unpaid work lawful?

Some unpaid work arrangements are lawful and others are not. Depending on the nature of the arrangement, the person doing the work may be an employee and be entitled to be paid the legal minimum rate of pay for the type of work they're doing, along with other minimum employment entitlements.

Whether an unpaid work arrangement is lawful under the *Fair Work Act 2009* (FW Act) depends on:

- whether an employment relationship exists, or
- whether the arrangement involves a vocational placement.

Vocational placements

A vocational placement is a formal work experience arrangement that is part of an education or training course.

Vocational placements can give students important skills to help them transition successfully from study to work, while giving industry and business the opportunity to enrich student learning experiences and increase the number of work-ready graduates.

Vocational placements that meet the definition under the FW Act are lawfully unpaid, regardless of whether an employment relationship exists or not.

For more information, including the criteria that an arrangement must meet to be a vocational placement under the FW Act, see our [Vocational Placements Fact Sheet](#).

Unpaid work experience and unpaid internships

A work experience arrangement or internship is when a person works for a business to gain experience in a particular occupation or industry. These arrangements can be a valuable way for prospective employees to make the transition from study to work or explore a new career path. Sometimes these arrangements span several months and can lead to ongoing employment.

An unpaid work experience arrangement or unpaid internship can be lawful if it is a vocational placement (see section above) or if there is no employment relationship found to exist.

For more information on identifying an employment relationship or a vocational placement, please see our [Unpaid Work Fact Sheet](#).

Example 1

Tom undertook a 30 day vocational placement at an advertising company as part of his marketing degree. He really enjoyed the work and had become involved in a major campaign the company was working on. The manager of the advertising company offered Tom the opportunity to continue the arrangement over the semester break so he could see the campaign through to the end. Tom agreed and worked unpaid for 3 weeks over the semester break.

As the extra work performed over the semester break wasn't a requirement of Tom's marketing degree, it did not form part of the vocational placement. If Tom was completing productive work during the 3 week period, it would be likely that he would be an employee and entitled to be paid for the work performed.

Example 2

Maria is a nurse who is planning a career change and is studying law. To get some experience in the legal industry, she offered to volunteer at a local law firm over her summer break to do basic legal research and help with clerical work. Maria attended the law firm for a few irregular hours every few weeks.

The arrangement provided minimal benefit to the law firm – it was mostly for Maria’s benefit. There was no expectation that Maria worked productively or independently, and her output was not vital to the operation of the firm. Based on the circumstances of this arrangement, Maria wasn’t an employee of the law firm and didn’t need to be paid.

After a few months, the law firm asked Maria to work more regularly. She was given responsibility for parts of the firm’s file administration, replacing the work that a clerical employee used to perform. The firm received a substantial benefit from this arrangement, as Maria was doing the same work as a clerical staff member.

These new responsibilities created an employment relationship, and Maria was entitled to be paid for her work at the appropriate minimum rate.

Example 3

Jonathon was a final year accounting student. He agreed to do unpaid work experience with an accountancy firm and had been promised employment once he graduated.

Jonathon attended the firm for three days a week. He did a range of productive jobs for the firm, including customer tax returns and company financials, which were both charged to clients.

Although Jonathon had agreed not to be paid, the nature of the arrangement was consistent with an employment relationship and he was entitled to be paid for all hours worked at the appropriate minimum rate

Example 4

A recruiting firm placed an advertisement on the internet for graduates to work on a voluntary basis for one day a week over a 6 month period. The placement (not linked to any education or training course) offered hands on experience with a potential for job opportunities. The firm’s HR manager explained that the placements were observational in nature, with no expectation of productive work. The successful candidates each signed agreements that detailed the training they would receive.

The graduates would observe the firm’s consultants doing candidate selection and screening and sit in on interviews and reference checks. On occasions, the graduates did some hands on work under supervision, such as reading through applications, talking as a group about how they would shortlist the candidates, and doing mock interviews.

As there wasn’t a significant benefit to the firm from the work, or any expectation to do productive work, there were no indicators of an employment relationship, which meant that the graduates didn’t need to be paid.

Further information

For information and resources about unpaid work, visit www.fairwork.gov.au/unpaidwork or contact the Fair Work Infoline on 13 13 94.

Contact us

Fair Work Online: www.fairwork.gov.au

Fair Work Infoline: **13 13 94**

Need language help?

Contact the Translating and Interpreting Service (TIS) on **13 14 50**

Hearing & speech assistance

Call through the National Relay Service (NRS):

For TTY: **13 36 77**. Ask for the Fair Work Infoline **13 13 94**

Speak & Listen: **1300 555 727**. Ask for the Fair Work Infoline **13 13 94**